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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Redevelopment of Spectrum to
Encourage Innovation in the
Use of New Telecommunications
Technologies

)
)
) ET Docket No. 92-9
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)

COMMENTS OF U S WEST, INC.

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June 5, 1992

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SUMMARY

In these comments, U S WEST, Inc. ("U S WEST"), on behalf of its common carrier subsidiaries, states its strong support of the Commission's goal to clear a block of 220 megahertz ("MHz") of spectrum between 1.85 and 2.20 gigahertz ("GHz") for allocation to emerging technologies and services, such as PCS.¹ U S WEST also offers suggestions that hasten the availability of 2 GHz spectrum for new technologies and services and reasonably compensate incumbent 2 GHz licensees relocating to alternative spectrum or transmission media.

More specifically, U S WEST counters the assertions of those opposed to the proposed reallocation by showing that alternative media, such as optical fiber-based services, present viable functional and economic alternatives to microwave services. In particular, these alternatives are readily available in metropolitan areas, where new services such as PCS are likely to develop first. U S WEST also refutes the claims that fiber-based services are unreliable.

The differing characteristics of metropolitan and rural settings, and the relative opportunities or lack thereof such areas may present for the rapid development of a service like PCS, warrant distinct consideration in connection with the proposed reallocation. In U S WEST's view, relocation to

¹All acronyms and abbreviations used in this summary are fully explained in the text.

alternative spectrum or transmission media within a period of 10 to 15 years for current licensees of 2 GHz spectrum located in Rural Service Areas, as defined by the Commission in CC Docket No. 85-388, is not unreasonable. However, a shorter five to eight year period is warranted for relocation of microwave licensees operating in Standard Metropolitan Statistical Areas, as defined by the Commission in CC Docket No. 79-318. U S WEST urges the Commission to adopt this dual approach because it will promote faster clearing of the 2 GHz band in areas where PCS demand will originate, while permitting rural microwave operations a longer time to consider relocation alternatives.

Other aspects of the Commission's proposal are addressed in the remainder of these comments. U S WEST encourages the use of tax certificates and flexible, direct negotiations between existing microwave licensees and new service providers to assist the former in covering their relocation costs. U S WEST also discusses the need for clear coordination and channelization rules for carrier and private microwave systems relocating to the same, higher frequency bands.

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COMMENTS OF U S WEST, INC.

U S WEST, Inc. ("U S WEST"), by its attorneys and on behalf of its common carrier subsidiaries,¹ hereby submits these initial comments in response to the Federal Communications Commission's ("Commission" or "FCC") Notice of Proposed Rulemaking ("NPRM") in the above-captioned proceeding.²

I. INTRODUCTION

In the NPRM, the Commission states that recent technological progress has created the potential for a broad range of new radio spectrum-based communication services.³ This potential, in turn, has created greater demand for spectrum, particularly for mobile applications. The Commission notes that requests for allocation of spectrum are already before it for such new technologies and

¹U S WEST Communications, Inc. ("USWC") provides exchange telecommunications and exchange access services. U S WEST NewVector Group, Inc. ("U S WEST NewVector") provides cellular and paging services. U S WEST itself is a holding company and provides no services to the public.

²See Notice of Proposed Rulemaking, 7 FCC Rcd. 1542 (1992).

³Id. at ¶ 4.

services as personal communications service ("PCS"), data PCS, mobile-satellite service, digital audio broadcasting service and low-Earth orbit satellites.⁴

The Commission proposes to meet the demand for spectrum created by emerging technologies and services by reallocating 220 megahertz ("MHz") of radio spectrum, which is located between 1.85 and 2.20 gigahertz ("GHz") and which is currently utilized for private and common carrier fixed microwave services.⁵ Acknowledging the potential impact to incumbent licensees of 2 GHz spectrum, the Commission proposes a framework it hopes will encourage such licensees to relocate to other fixed microwave bands or to alternative transmission media, such as optical fiber-based services, thereby making the 2 GHz spectrum available for emerging telecommunications technologies and services.

This band clearing proposal has already sparked considerable controversy.⁶ For its part, U S WEST strongly supports the Commission's goal to clear a block of spectrum for allocation to

⁴See id. at 1543 ¶ 4.

⁵The Commission refers to this block of spectrum as "2 GHz spectrum." The specific frequencies the Commission proposes to reallocate are the 1.85 - 1.99 GHz, 2.11 - 2.15 GHz and 2.16 - 2.20 GHz bands. Id. at 1544 ¶ 19. Excluded from the proposed reallocation are the 1.99 - 2.11 GHz, 2.15 - 2.16 GHz and 2.16 - 2.162 GHz bands, currently used for broadcast auxiliary service, multipoint distribution service ("MDS") and shared common carrier fixed microwave and MDS, respectively.

⁶See, e.g., Petition for Clarification of The Association of American Railroads ("AAR") and Petition for Reconsideration of Century Telephone Enterprises, Inc., both filed herein Mar. 20, 1992, and Petition to Suspend Proceeding of AAR, Large Public Power Council and the American Petroleum Institute, filed herein Apr. 10, 1992.

emerging technologies and services, such as PCS, in an orderly and expeditious manner. In these comments, in addition to offering its general support, U S WEST states its initial views regarding certain elements of the Commission's proposal and suggests how that proposal can be improved.

II. THE COMMISSION'S REALLOCATION PROPOSAL IS IN THE PUBLIC INTEREST AND SHOULD BE PURSUED EXPEDITIOUSLY

The proposed reallocation of the 2 GHz band to create a reserve for new technologies and services is the appropriate course of action for a number of reasons. As the following discussion concludes, the Commission should create as soon as possible the proposed spectrum reserve for new radio-based technologies and services.

A. The Proposed Spectrum Band for Emerging Technologies Is Consistent with International Developments and Is Procompetitive

The 1.85 - 2.20 GHz reserve band proposed by the Commission is in harmony with international developments in the area of new radio communications technologies and services. For example, Europe and Japan are expected to allocate spectrum between 1 and 3 GHz for mobile services that employ new technologies.⁷ Moreover, the 1992 World Administrative Radio Conference recently set aside the 1.885 - 2.025 GHz and 2.110 - 2.200 GHz bands for

⁷See "Creating New Technology Bands for Emerging Telecommunications Technology, FCC/Office of Engineering and Technology ("OET") TS92-1 (Dec. 1991), at 4 ("OET Spectrum Study").

"terrestrial components" of future public land mobile telecommunications systems.⁸

This growing international consensus in favor of the use of the 2 GHz band for new radio technologies and services will also foster rapid development of new equipment to be used to provide the envisioned services using those frequencies. If the United States remains outside of this consensus, this nation will not be a market for equipment usable in other countries. Such a development will hurt both American manufacturers and American consumers.

American manufacturers would have to develop products that meet both the United States and non-United States standards, or elect to sell to only one market. The former pushes up their costs by requiring two separate product lines for the same functionality and hurts their overall competitiveness. Similarly, American consumers would be harmed since they would likely have fewer manufacturers offering them electronic products. The fewer choices available to American consumers would likely be more expensive in the absence of more robust competition among equipment suppliers.

Without such a clear direction as to the allocation of spectrum, manufacturers may not be willing to risk the significant capital required to develop and refine these technologies and the related equipment. If, as appears to be the

⁸See Addendum and Corrigendum to the Final Acts of the World Administrative Radio Conference (WARC-92), Malaga-Torremolinos, 1992, at A+C p. 17.

case, a large international competitive market for these new technologies and services will develop, incentives will exist for manufacturers to bring their new products to the market quickly. Logic dictates that the sooner uncertainty regarding the market for such equipment is removed, the sooner manufacturers may be willing to invest their time and resources.

It thus becomes readily apparent that the public interest will not be served by a failure of the United States to join an emerging international consensus favoring the 2 GHz band for new radio technologies and services simply because of an inability to develop a plan to move existing 2 GHz band users to other facilities or services.

B. Opposition to the Proposed Reallocation Is Not Supported by the Facts

In large part, opposition to the Commission's reallocation proposal has focused on the lack of viable alternative transmission media and the cost of relocation to alternate media or spectrum.⁹ U S WEST believes much of this opposition can be mitigated and that a smoother, more effective progression to the proposed environment for emerging radio-based services may be accomplished by distinguishing between urban (metropolitan) and

⁹See, e.g., Comments filed herein of Public Service Company of Colorado, filed May 12, 1992, at 1-2 ("PSCo Comments"); Arizona Department of Public Safety, filed Apr. 20, 1992, at 2 ("Arizona DPS Comments"); Union Telephone Company, filed Apr. 27, 1992, at 2 and Appendix ("Union Telephone Company Comments"). See also Comments of State of Utah Department of Administrative Services, in General Docket No. 90-314, filed Jan. 14, 1992 ("Utah DAS Comments").

rural areas with respect to the timing of the proposed reallocation. For purposes of applying this distinction, U S WEST proposes that urban areas conform to Standard Metropolitan Statistical Areas ("SMSA"), as defined by the Commission in CC Docket No. 79-318.¹⁰ Similarly, rural areas should conform to Rural Service Areas ("RSA"), as defined by the Commission in CC Docket No. 85-388.¹¹

Cellular service was introduced first in urban areas, where population density and demand for the service was the greatest. The technological and service characteristics of PCS will also be optimized in densely populated, urban areas. The arguments against the proposed reallocation that focus on the lack of media alternatives, or their cost, appear to center on examples that are found in mostly rural, not urban areas. These arguments, in U S WEST's view, underestimate the availability and relative cost-effectiveness of alternate media, such as optical fiber-based services. Such alternatives are available in metropolitan areas today and will become ever more available with time.

In metropolitan areas, where the initial development of services such as PCS is most likely to occur, the availability of

¹⁰See An Inquiry Into the Use of the Bands 825-845 MHz and 870-890 MHz for Cellular Communications Systems, CC Docket No. 79-318, Report and Order, 86 F.C.C.2d 469 (1981); Order on Reconsideration, 89 F.C.C.2d 58, 86-90 (1982); Order on Further Reconsideration, 90 F.C.C.2d 571, 577-79 (1982).

¹¹See Amendment of the Commission's Rules for Rural Cellular Radio Service, CC Docket No. 85-388, First Report and Order, 60 Rad. Reg. (P&F) 2d 1029 (1986); Order on Reconsideration, 2 FCC Rcd. 3366 (1987); Order on Further Reconsideration, 64 Rad. Reg. (P&F) 2d 1360 (1988).

fiber-based services has grown rapidly. According to a recent update of fiber deployment statistics compiled by the Common Carrier Bureau's ("Bureau") Industry Analysis Division, fiber deployment by interexchange carriers increased by 12% over the 1990 - 1991 time frame.¹² LEC deployment of optical fiber facilities grew by about 35.4% in 1991, compared with growth of about 36.5% the preceding year.¹³ USWC continues to increase its deployment of fiber and fiber ring technology in its urban centers for purposes of efficiency and to meet competition. Indicative of a current trend, U S WEST NewVector has migrated from microwave to fiber facilities in certain urban areas.¹⁴ Other urban fiber carriers have added to the growth of fiber facilities, most significantly in the form of fiber rings around high density business centers, as have electric utilities and cable television companies.¹⁵

¹²See "Fiber Deployment Update - End of Year 1991," by Jonathan M. Kraushaar, Industry Analysis Division, Common Carrier Bureau, Federal Communications Commission, March 1992, at 1 ("1991 Fiber Deployment Update").

¹³The 1991 Fiber Deployment Update notes that while the growth of fiber deployment declined for many companies, it increased significantly for U S WEST. See id.

¹⁴For instance, in the Puget Sound area, U S WEST NewVector has moved from microwave to fiber ring technology to accelerate the call-routing process and enhance system capacity and call reliability. The move to fiber also boosts reliability during bad weather, such as electrical storms, or natural calamities such as earthquakes.

¹⁵See 1991 Fiber Deployment Update at 2. The 1991 Fiber Deployment Update names IOR Telecom, a subsidiary of Iowa Resources in the Des Moines, Iowa area, and Public Service of Oklahoma, an electric utility in the Tulsa, Oklahoma area, as two
(continued...)

As the availability of fiber has increased in metropolitan areas, the price has also declined making fiber a more attractive option to more and more entities. As competition in the provision of fiber likewise increases, even more downward pressure is exerted on the price of fiber.

Certain parties have also questioned the reliability of fiber-based services as compared to that of microwave service.¹⁵ Contrary to such assertions, fiber-based services are highly reliable. USWC provides fiber-based services which are specifically designed to meet customer needs for enhanced reliability and survivability. These so-called "diversity" services, which employ ring or wheel and spoke architectures, automatically detect any problem that disrupts or degrades service and provide instantaneous backup facilities to ensure uninterrupted transmission.¹⁷ To emphasize its commitment to the reliability of these services, out-of-service credit provisions state that customers will be credited for one month's billing after any measurable outage of one second or more.¹⁸ U S WEST

¹⁵ (...continued)
electric utilities companies currently providing fiber transmission capacity to customers as an adjunct to their electric power distribution activities. See id. at 32.

¹⁶See e.g., Comments filed herein of Alabama Electric Cooperative, Inc. at 1; Williams Natural Gas Company at 1; Southern Natural Gas at 2; and City of Austin at 2.

¹⁷See generally U S WEST Tariff F.C.C. No. 1, § 15 (which describes and provides the terms and conditions for U S WEST's Self-Healing Network Service).

¹⁸See U S WEST Tariff F.C.C. No. 1, § 2.4.4(B)(9).

believes such service offerings should meet the reliability concerns of current microwave users.

For these reasons, the categorical denial of the viability of fiber as an alternative to microwave radio, particularly in urban areas is simply at odds with these facts.

C. 2 GHz Frequencies in Rural and Metropolitan Areas
Should Be Considered Separately

In rural areas, current 2 GHz licensees may face cost factors associated with relocation which differ significantly from those faced by 2 GHz licensees located in metropolitan areas. In addition, alternative media, such as fiber-based services, may not be available in quantities or at a price to make such media a reasonable alternative to rural microwave operations today or in the near term.¹⁹

U S WEST believes that the differing characteristics of metropolitan and rural settings, and the relative opportunities or lack thereof such areas may present for the rapid development of a service like PCS, warrant distinct consideration in connection with the proposed reallocation. In light of the special concerns raised by current 2 GHz licensees operating in rural areas, a slower transition for such licensees should be considered. On the other hand, the absence of heavy usage of microwave frequencies in all but a very small number of the

¹⁹See, e.g., Utah DAS Comments at 2; PSCo Comments at 2; Arizona DPS Comments at 2.

busiest metropolitan areas²⁰ and the current migration from microwave to fiber in metropolitan areas, combined with the general recognition that PCS will develop initially in metropolitan areas, justifies a more expeditious time frame for reallocation of 2 GHz spectrum in such areas.

Relocation to alternative spectrum or transmission media within a period of 10 to 15 years for current licensees of 2 GHz spectrum located in rural areas (RSAs) is not unreasonable. Within that time, such licensees should be able to explore and decide upon an alternative transmission medium or successfully conclude negotiations with a new service provider to cover the reasonable costs of relocation to a higher frequency band. However, a shorter, five to eight year period for relocation of metropolitan microwave operations (those operating in SMSAs) would promote the rapid clearing of the 2 GHz band where PCS demand will originate.²¹ U S WEST urges the Commission to adopt this dual approach in the interest of expedition. The sooner the 2 GHz band is cleared, the sooner new radio technologies and

²⁰Examination of internal, public and commercial databases indicates that usage of 2 GHz spectrum is particularly light in the metropolitan areas served by U S WEST companies. Similar usage level appears to exist generally throughout the United States. According to the OET Spectrum Study, "the density of 2 GHz microwave facilities in the vast majority of the [United States] is only moderate to light." OET Spectrum Study at 19. The most congested zones in the 2 GHz range were identified as Los Angeles, California, Houston, Texas and the petroleum pipeline corridor between Houston and New Orleans, Louisiana. Id.

²¹This shorter time frame also appears to be consistent with the depreciable life of most microwave equipment.

services can be introduced.

In addition to the reasonable alternatives available to current 2 GHz licensees, U S WEST believes that, for a brief interim period, additional spectrum could be made available for early new technology offerings by retuning existing licensed equipment to a reserved part of the 220 MHz of spectrum proposed for reallocation. In many cases, such retuning could be accomplished for the relatively small cost of a re-coordination procedure and a technician's service call to the locations involved.²² This cost would compare favorably with the cost of replacing 2 GHz equipment as might be required to move to a higher band. In addition, the reserved spectrum for such retuned equipment could be phased out at five-year intervals until all occupants have relocated.

As this section of these comments shows, the Commission's reallocation proposal is workable and will serve the public interest. U S WEST believes its suggested amendments to the Commission's proposal will hasten the introduction of new radio technologies and services, such as PCS, thereby enhancing the public benefits that will result from the Commission's initiatives in this proceeding.

III. U S WEST SUPPORTS FLEXIBLE NEGOTIATION BETWEEN INCUMBENT 2 GHZ LICENSEES AND NEW SERVICE PROVIDERS

To encourage accommodation and underwriting of the costs of

²²U S WEST estimated this cost to be approximately \$6,000 - \$8,000 per station.

relocation to be incurred by 2 GHz licensees, the Commission proposes to allow providers of new services assigned spectrum allocated to the emerging technologies band to negotiate financial arrangements with existing licensees.²³ This proposal, the Commission believes, would give new service providers earlier access to the frequencies at issue and allow market forces to play a role in balancing the need to minimize relocation cost to the incumbent licensee and the immediate need for spectrum for new services.²⁴ U S WEST supports this proposal and suggests that creative market solutions could be used to solve these problems. Where negotiations result in significant delay and the parties cannot reach an agreement, U S WEST advocates the use of alternative dispute resolution procedures.

Since the 1970s, the Commission has attempted to allow market solutions to take effect over regulation wherever feasible. U S WEST believes that the need to vacate the 2 GHz band for PCS offerings is a good place to allow the market to function. The market can function by permitting new licensees in the 2 GHz band to partner with existing operators in that band for the provision of PCS for the remaining life of the existing operator's license or the end of the Commission-prescribed transition period, whichever is longer. In return for a portion of the new PCS operation, the existing operator would vacate the 2 GHz band earlier. The details of the existing operator's

²³See NPRM, 7 FCC Rcd. at 1545 ¶ 26.

²⁴See id.

relocation and the partnership agreement could be left to the parties.

U S WEST believes that this market-based solution could create true "win-win" situations for both new licensees²⁵ and existing operators, with the added benefit that new services may come to market sooner than if traditional regulation were applied. The Commission could conserve its resources by avoiding additional regulatory proceedings to determine the specifics of licensee relocation and spectrum reallocation.²⁶

In the event that market-based solutions fail, alternative dispute resolution procedures should apply. The Administrative Dispute Resolution Act²⁷ directs that agencies developing ADR policies should "examine alternative means of resolving disputes in connection with . . . issuing and revoking licenses or permits[.]"²⁸ The Commission has explicitly stated in its Initial Policy Statement and Order in General Docket No. 91-119, that "the Commission will make every effort possible to resolve appropriate disputes through mediation, arbitration, settlement negotiation, negotiated Rule Making and other means of dispute resolution where the parties involved consent to their use and

²⁵This proposal could and should apply to all new licensees and existing operators in the 2 GHz band.

²⁶Alternatively, new licensees should be allowed to offer existing operators premium payments beyond simple costs of relocation for early relocation by the existing operators.

²⁷P.L. 101-552, enacted Nov. 15, 1990, codified at 5 U.S.C. § 581-82 (Supp. 1992) ("ADR Act").

²⁸5 U.S.C. § 581(a)(2)(D).

where such practice is consistent with our statutory mandate."²⁹ The reallocation of 2 GHz spectrum would be an apt circumstance in which to apply ADR procedures under development in General Docket No. 91-119.

In addition, U S WEST urges the Commission to clearly state that incumbent licensees will not be permitted to use the flexible negotiations process to exact an excessive profit from new service providers. Only reasonable compensation should result from such negotiations, otherwise incumbents will have no incentive to vacate the 2 GHz band early on in the transition period.

IV. U S WEST SUPPORTS THE USE OF TAX CERTIFICATES

As U S WEST understands it, the value of a tax certificate in the instant context is that it would allow an incumbent 2 GHz licensee to defer any taxable gain realized in the compensation negotiations with the newly licensed provider of a new radio service.³⁰ This could allow the new service provider to gain

²⁹Use of Alternative Dispute Resolution Procedures in Commission Proceedings and Proceedings in which the Commission is a Party, 6 FCC Rcd. 5669, 5670 ¶ 9 (1991). See also 47 C.F.R. § 1.18, 56 Fed. Reg. 51178 (Oct. 10, 1991).

³⁰Under Section 1071 of the Internal Revenue Code of 1986, 26 U.S.C. § 1071, as amended ("Code"), if a sale or exchange of property is certified by the Commission to be necessary or appropriate to effectuate a change in the policy of the Commission with respect to the ownership or control of radio broadcasting stations, such sale or exchange is, if the taxpayer elects, treated as an involuntary conversion under Section 1033 of the Code (26 U.S.C. § 1033). Under Section 1033, if the property is converted into property similar or related in use, or
(continued...)

access to 2 GHz spectrum at a lower cost than might otherwise be possible. However, it is not clear that the Commission has authority to grant tax certificates to non-broadcast licensees. The statute and the regulations promulgated thereunder speak in terms of ownership and control of "radio broadcasting stations." In Telocator Network of America,³¹ the Commission expanded its definition of that term by granting tax certificates to certain non-wireline cellular partnership interests. The Commission's basis for that expansion was that the legislative history indicated that the term "radio broadcasting stations" should be given an expansive interpretation consistent with the congressional purpose underlying Section 1071.

To U S WEST's knowledge, the Internal Revenue Service ("IRS") has not challenged the Commission's grant of tax certificates in the cellular context. U S WEST can see no reason warranting different treatment with respect to 2 GHz licensees. U S WEST, therefore, urges the Commission to grant tax certificates to 2 GHz licensees that relocate to higher frequency bands or to alternative media.

³⁰(...continued)
if the taxpayer purchases replacement property within the time prescribed by Code Section 1033 which costs as much as the amount realized upon the conversion, no gain is recognized. Further, the taxpayer may in lieu of replacing the property, elect to reduce the depreciable basis of property retained, or may elect a combination of either of the above options. See also 26 C.F.R. § 1.1071-1.

³¹58 Rad. Reg. (P&F) 2d 1443 (1985), recon. dismissed, 1 FCC Rcd. 509 (1986).

V. THE NPRM LACKS SUFFICIENT DETAIL REGARDING FREQUENCY SHARING BY RELOCATING CARRIER AND PRIVATE MICROWAVE SYSTEMS

The Commission proposes "to make available all fixed microwave bands above 3 GHz, both the common carrier and the private bands, for reaccommodation of fixed microwave operations currently licensed in the 1.85-2.20 GHz spectrum."³² Under this plan, both carrier and private microwave systems relocating to higher common carrier bands will be subject to the common carrier microwave coordination procedures provided in Commission Rules 21.100 and 21.706,³³ while those relocating to higher private microwave bands will be subject to the private microwave coordination requirements of Commission Rule 94.63.³⁴

U S WEST does not oppose these proposals. However, U S WEST believes that the Commission must adopt detailed frequency coordination and channelization plans sooner than later if it is to create incentives for existing licensees to relocate to frequencies above 3 GHz.

Private and common carrier microwave licensees currently operate under different sets of coordination procedures. The Commission's Part 21 Rules dictate the common carrier frequency coordination process. Private microwave licensees coordinate

³²NPRM, 7 FCC Rcd. at 1544-45 ¶ 20.

³³47 C.F.R. §§ 21.100 and 21.706.

³⁴47 C.F.R. § 94.63. The Commission also states that it will encourage existing licensees in the 2 GHz band to relocate to bands that are appropriate to the path lengths of their operations. See NPRM, 7 FCC Rcd. at 1545 ¶ 20.

frequency use pursuant to the Commission's Part 94 Rules.

In U S WEST's view, the Commission should adopt one set of rules, those currently applicable to common carriers, for both private and common carrier microwave service providers that move to higher bands, to provide consistency and insure that the current process, which affords the most efficient use of the spectrum, will not be degraded.

To guarantee continued spectral efficiency in frequency bands where private and common carrier operation will coexist, the Commission must establish channelization rules governing bandwidth requirements for relocating low capacity (i.e. narrow bandwidth) systems into higher frequency bands which are currently allocated for high capacity systems. Systems with bandwidths of 10 MHz or less should be confined to spectrum specifically designated for narrowband systems such as the current private microwave channelization plan requires. Likewise, systems with bandwidths above 10 MHz could relocate to spectrum specifically suited to and allocated for wideband systems.

VI. CONCLUSION

For the foregoing reasons, U S WEST urges the Commission to pursue aggressively and expeditiously its reallocation and relocation compensation proposals. By suggesting a dual reallocation and relocation approach, under which 2 GHz spectrum would become available sooner in metropolitan areas than in rural

areas, U S WEST hopes to facilitate a more rapid development of PCS in areas where demand is likely to be greatest. Likewise, U S WEST's proposal regarding direct, flexible negotiations between incumbent 2 GHz licensees and new service providers will foster a more timely availability of 2 GHz spectrum for new services. These suggestions, in conjunction with the Commission's initiatives, will serve the public interest in a rapid transition to new telecommunications technologies and services.

Respectfully submitted,

U S WEST, Inc.

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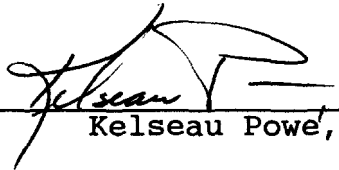
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June 5, 1992

CERTIFICATE OF SERVICE

I, Kelseau Powe, Jr., do hereby certify on this 5th day of June, 1992, that I have caused a copy of the foregoing **COMMENTS OF U S WEST, INC.** to be hand delivered to the persons named on the attached service list.



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